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COLUMBIA, SOUTH CAROLINA

January 7, 2013

VIA ELECTRONIC FILING

Jocelyn Boyd, Chief Clerk of the Commission
Public Service Commission of South Carolina
Synergy Business Park, Saluda Building
101 Executive Center Drive
Columbia, SC 29210

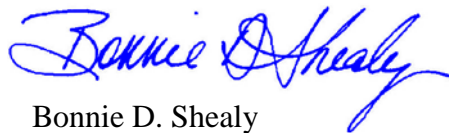
**Re: TAG Mobile, LLC - South Carolina ETC Certification
Docket No. 2012-336-C**

Dear Jocelyn:

TAG Mobile, LLC respectfully submits the enclosed proposed order designating TAG Mobile as an Eligible Telecommunications Carrier for the Commission's consideration. The S.C. Office of Regulatory Staff has reviewed the proposed order. We will also send you an electronic version by email in Word format for your convenience. A copy of the proposed order is being provided to the S.C. Office of Regulatory Staff by copy of this letter. If you have any questions, please have someone on your staff contact me.

Very truly yours,

ROBINSON, MCFADDEN & MOORE, P.C.



Bonnie D. Shealy

BDS/tch
Enclosures

cc/enc: Courtney Edwards, ORS Staff Attorney (via email & U.S. Mail)
Ms. Melanie King (via email)

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BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2012-336-C – ORDER NO. 2013-__
JANUARY __, 2013

IN RE:)	ORDER DESIGNATING TAG
)	MOBILE, LLC AS AN ELIGIBLE
APPLICATION OF TAG MOBILE, LLC)	TELECOMMUNICATIONS
FOR DESIGNATION AS AN ELIGIBLE)	CARRIER FOR THE PROVISION
TELECOMMUNICATIONS CARRIER IN)	OF LIFELINE SERVICE
THE STATE OF SOUTH CAROLINA)	
)	

This matter comes before the Public Service Commission of South Carolina (the “Commission”) and concerns the above-captioned September 12, 2012, Application of TAG Mobile, LLC (“TAG Mobile” or the “Company”) for Designation as an Eligible Telecommunications Carrier (“ETC”) in the State of South Carolina (the “Application”).

For the reasons explained in this Order, the Commission has concluded that the Application should be approved and that designation of TAG Mobile as an ETC on the terms provided in this Order would serve the public interest.

BACKGROUND

The proposal to designate TAG Mobile as an ETC is presented to the Commission on the Application and the verified testimony of Frank Del Col, President and Chief Executive Officer of TAG Mobile filed on December 13, 2012. A Stipulation entered into between TAG Mobile and the South Carolina Office of Regulatory Staff (“ORS”) was filed with the Commission on December 13, 2012. The Applicant in this matter was represented by Bonnie D. Shealy, Esquire and ORS was

represented by Courtney Dare Edwards, Esquire and Nanette S. Edwards, Esquire.

As directed by the Commission, notice of filing of the Application was published and proof of publication was provided to the Commission on October 18, 2012. No petitions to intervene were filed in this matter. ORS is a party pursuant to statute.

The Stipulation recommends that TAG Mobile be designated as an ETC for the limited purpose of providing Lifeline service to qualified households in accordance with the terms of the Stipulation. The Stipulation has been filed in the record and attached hereto as Exhibit 1.

On December 13, 2012, TAG Mobile filed a Motion to Waive the Hearing and for Expedited Review, requesting that the Commission waive the hearing, admit all prefiled testimony and exhibits into the record, grant expedited consideration of the Application, and approve the Application. ORS did not object to this Motion.

Having considered the record before it, the Commission finds that the record is sufficient to allow a final determination in this matter and that the interests of judicial economy are served by waiving the hearing and granting expedited review and approval of the Application.

ANALYSIS

Section 214(e)(2)(e) of the Telecommunications Act of 1996 (the “Act”) authorizes state commissions to designate common carriers that meet the requirements as ETCs.¹ Section 103-690 of the S.C. Code Ann. Regs. provides that the Commission will fulfill its responsibility to designate common carriers as ETCs and establishes the requirements that an applicant must meet in order to be

¹ 47 U.S.C.A. § 214(e)(2).

designated an ETC.²

As demonstrated in the Application, the testimony, the Stipulation, and the Company's Compliance Plan, TAG Mobile satisfies all the relevant requirements for designation as an ETC specified in Sections 254 and 214 of the Act and Section 103-690 of the S.C. Code Ann. Regs. TAG Mobile is (i) a common carrier as defined by 47 U.S.C. Section 153(10), (ii) offers all the supported services,³ (iii) uses its own facilities to provide the services,⁴ and (iv) offers service throughout its designated service area. Additionally, it has been demonstrated that following designation, TAG Mobile will (v) advertise the availability of its Universal Service offerings and charges through media of general distribution, specifically its Lifeline services throughout its ETC service area, and will publicize the availability of Lifeline service in a manner reasonably designed to reach those likely to qualify for the service in satisfaction of 26 S.C. Code Ann. Regs. Section 103.690.1E(a)(1) and 103-690.1(E)(b)(1); (vi) make Lifeline service available to qualifying low-income consumers without requiring a service deposit in order to initiate Lifeline service if the consumer elects toll limitation services, will not charge such customer a monthly number portability charge, will verify annually that its Lifeline customers meet the qualifications, and will provide sixty (60) days notice to customers which it believes no longer qualify for Lifeline service;⁵ (vii) certify that it complies with the service requirements applicable to the support it receives; (viii) be able to remain functional in emergency situations;⁶ (ix) satisfy consumer protection and service quality standards which are set

² See 26 S.C. Code Ann. Regs. 103-690(C).

³ 47 U.S.C. § 254(c); 47 C.F.R. § 54.101(a); and S.C. Code Reg. § 103-690(C)(a).

⁴ TAG Mobile sought forbearance from the FCC from applying the facilities requirement of 47 U.S.C. § 214(e)(1)(A).

⁵ 26 S.C. Code Ann. Regs. § 103.690.1(E)(a)-(b).

⁶ 26 S.C. Code Ann. Regs. 103-690(C)(a)(2).

forth in the CTIA Consumer Code as described in the Application including annual certification of its compliance and reporting of consumer complaints in accordance with 26 S.C. Code Ann. Regs. Sections 103-690(C)(1)(a)(C)(3) and 103-690.1(B)(b)(4). TAG Mobile will also (x) provide Lifeline local usage plans comparable to the incumbent local exchange carriers already operating in the area; (xi) comply with applicable reporting requirements including, but not limited to, annual progress reports required in 26 S.C. Code Ann. Regs. Sections 103-690.1, annual certification that it is able to remain functional in emergency situations required by 26 S.C. Code Ann. Regs. Sections 103-690.1(B)(b)(2), and annual outage reporting requirements of 26 S.C. Code Ann. Regs. Sections 103-690(B)(b)(2); and (xii) as explained below, take steps to limit fraud, waste and abuse in the federal universal service fund programs.

On February 6, 2012, the FCC comprehensively reformed the low income program and revised the Lifeline service requirements.⁷ In the *Lifeline Reform Order*, the FCC adopted specific reforms attempting to limit fraud, waste and abuse in the low-income program. Mr. Del Col's testimony and the approved Compliance Plan outline TAG Mobile's plans to satisfy the requirements to prevent waste, fraud and abuse. TAG Mobile commits to compliance with the rules as they are applicable.

The Commission must consider the benefits of increased consumer choice and the unique advantages and disadvantages of the applicant's service offering in determining whether an ETC designation is in the public interest pursuant to 26 S.C. Code Ann. Regs. § 103-690(C)(b).

⁷

Lifeline and Link-Up Reform and Modernization, et al., WC Docket No. 11-42, *et al.*, Report and Order and Further Notice of Proposed Rulemaking, FCC 12-11 (rel. Feb. 6, 2012) ("*Lifeline Reform Order*").

Considering all factors, the Commission determines that it is in the public interest to grant TAG Mobile ETC designation for the limited purpose of providing Lifeline service.

IT IS THEREFORE ORDERED THAT:

1. The Application, Testimony, and Stipulation are accepted into the record without objection.
2. The Applicant's Motion to Waive the Hearing and for Expedited Consideration is granted.
3. TAG Mobile, LLC is hereby designated as an ETC for the limited purpose of providing Lifeline service as requested in the Application on the terms provided in the Stipulation.

BY ORDER OF THE COMMISSION:

David A. Wright, Chairman

ATTEST:

Randy Mitchell, Vice-Chairman

(SEAL)

ORDER EXHIBIT 1
DOCKET NO. 2012-336-C
ORDER NO. 2013-
JANUARY __, 2013

BEFORE

THE PUBLIC SERVICE COMMISSION

OF SOUTH CAROLINA

DOCKET NO. 2012-336-C

December 13, 2012

IN RE: Application of TAG Mobile, LLC for)
 Designation as an Eligible) **STIPULATION**
 Telecommunications Carrier in the State of)
 South Carolina)

This Stipulation is made by and among the Office of Regulatory Staff (“ORS”) and TAG Mobile, LLC (“TAG Mobile” or the “Company”) (collectively referred to as the “Parties” or sometimes individually as a “Party”).

WHEREAS, on September 12, 2012, TAG Mobile filed its Application requesting Designation as an Eligible Telecommunications Carrier (“ETC”);

WHEREAS, ORS has reviewed the Application and testimony of Frank Del Col is being filed with this Stipulation;

WHEREAS, TAG Mobile is only seeking wireless ETC Designation for the limited purpose of offering Lifeline service to qualified households in South Carolina by participation in the Federal Universal Service Low Income Fund (“Federal USF”);

WHEREAS, as a result of its investigation, ORS has determined that subject to the provisions set forth below, TAG Mobile’s request for designation as an ETC should be approved;

WHEREAS, TAG Mobile filed a compliance plan with the Federal Communications Commission ("FCC"), and agrees to comply with the requirements and conditions set out in the approved FCC compliance plan ("Compliance Plan"); and

WHEREFORE, in the spirit of compromise, the Parties hereby stipulate and agree to the following terms and conditions:

1. TAG Mobile provides commercial mobile radio service specifically through the resale of wireless services of other wireless carriers.

2. TAG Mobile has requested ETC designation to provide wireless Lifeline offerings in South Carolina.

3. TAG Mobile provides wireless services including voice Lifeline service plans through the resale of Sprint and Verizon Wireless networks.

4. TAG Mobile has limited its requested Universal Service Fund ("USF") support to the Federal USF low income support program. TAG Mobile certifies that all low income USF funding it receives will be used to provide a credit to its Lifeline eligible customers, consistent with 47 C.F.R. 54.403.

5. The Company's Compliance Plan, as approved by the FCC, is attached to and incorporated in this Stipulation. TAG Mobile agrees to comply with all terms and conditions of the attached FCC approved Compliance Plan. Any changes or modifications to the Company's FCC approved Compliance Plan must be filed with the Public Service Commission of South Carolina (the "Commission"), with a copy to ORS, within five (5) days of approval at the FCC.

6. TAG Mobile agrees to advertise the availability of Lifeline using media of general distribution.

7. TAG Mobile is to offer Lifeline credits consistent with the rates, terms, and conditions contained in its rate schedules and website and will publish the availability and the pricing of these same offerings on its website or public forum accessible by Lifeline eligible low income consumers.

8. TAG Mobile agrees to only seek direct low-income support from the USF for those lines provided through the use of the resold services of its underlying carrier(s). Until modified by the Commission, TAG Mobile agrees to utilize the means test established by the FCC and set forth in 47 C.F.R. 54.409.

9. TAG Mobile agrees to notify the Commission of any changes to its Lifeline rates in South Carolina.

10. TAG Mobile agrees to provide Lifeline customers the federal lifeline credit of \$9.25 per month, consistent with 47 C.F.R. 54.403. In addition, TAG Mobile agrees to provide all South Carolina Lifeline customers with a company funded \$3.50 credit. The Company may fulfill this commitment by offering a South Carolina Lifeline plan that provides 250 minutes of voice only service without rollover at a monthly cost of \$0.00 in addition to Lifeline optional plans outlined in the approved Compliance Plan. TAG Mobile will also offer a non-Lifeline plan that provides 250 minutes of Talk/Text without rollover at \$12.75 per month. In the event the Commission, the FCC, or a court of competent jurisdiction issues a decision that a credit of \$3.50 is not required to be provided by ETCs to South Carolina Lifeline customers, the Parties agree that this Agreement will be modified to reflect that ruling.

11. TAG Mobile agrees to allow qualifying low-income consumers to apply all applicable Lifeline discounts to any residential service plan that includes voice telephony service, including bundled packages of voice and data services; and plans that include optional

calling features such as, but not limited to, caller identification, call waiting, voicemail, and three-way calling. ETCs may also permit qualifying low-income consumers to apply their Lifeline discount to family shared calling plans.

12. TAG Mobile agrees that it will abide by all advertising, reporting and verification requirements established by the FCC and the Commission.

13. TAG Mobile agrees that it will not seek reimbursement from the Federal USF for resold services where the company receives the Lifeline credits through an underlying carrier.

14. TAG Mobile agrees to file all reports requested by ORS or the Commission, including but not limited to: the "Telecommunications Company Annual Report," the "Authorized Utility Representative Form," the "Gross Receipts Form," and the "USF Worksheet." All of which may be found on the ORS website at www.regulatorystaff.sc.gov in the telecommunications forms section.

15. If the designations sought herein are granted, TAG Mobile agrees to pay the annual gross receipts assessment in accordance with S.C. Code § 58-3-100 and S.C. Code § 58-4-60. TAG Mobile agrees to file with the ORS a certified true copy of its Form 497 filed with the Universal Service Administrative Company ("USAC"), including revisions thereto, no later than 5 calendar days after the Form or revision is filed with USAC.

16. TAG Mobile does not distinguish in the pricing of toll and non-toll calls. Should TAG Mobile change its business model to include toll services, TAG Mobile agrees to offer a toll blocking and/or limitation option for TAG Mobile Lifeline service at that time.

17. TAG Mobile agrees that the company will not seek reimbursement for toll limitation services.

18. TAG Mobile agrees to waive any and all activation fees or roaming charges for Lifeline customers.

19. TAG Mobile agrees to implement or to participate in a program for initial certification and annual verification that insures that an eligible Lifeline customer only receives one Lifeline credit per residential address and must conform with its Compliance Plan on file with the FCC and 47 C.F.R. 54-410.

20. TAG Mobile agrees to provide E911 compliant handsets to new Lifeline customers and replace any non-compliant handsets for its existing customers who are approved as Lifeline customers as part of its Basic Lifeline Service Plans at no charge.

21. If the designations sought herein are granted, TAG Mobile will be supporting Universal Service in South Carolina based on its total South Carolina retail end user revenues, and must submit all documentation and Universal Service fees required by South Carolina.

22. TAG Mobile agrees to submit a quarterly report to ORS demonstrating the number of Lifeline customers who have been deactivated by TAG Mobile during the quarter due to: (1) non-payment on their customer account during two consecutive 30-day periods; (2) customer failure to comply with or pass the annual verification requirement; or (3) voluntary customer-requested deactivation. In addition, consistent with the annual reporting commitments contained in its approved Compliance Plan, TAG Mobile agrees to file state specific reports with ORS.

23. TAG Mobile agrees that ORS may examine the company's records and documentation to ensure that the universal service support the Company receives is being used for the purpose for which it was intended. TAG Mobile is required to provide such records and documentation to ORS upon request. TAG Mobile agrees that if it fails to fulfill the requirements

of the Act, the Commission's rules, or the terms of this agreement after it begins receiving universal service support, the Commission or ORS may exercise its authority to revoke such petitioner's ETC designation.

24. TAG Mobile shall comply with all applicable state and federal laws, rules, and regulations regarding ETC designation and reporting requirements. More specifically, TAG Mobile agrees to abide by the Commission regulations regarding designation of an ETC found in 26 S.C. Code Ann. Reg. 103-690 as well as requirements set out by the FCC for ETC designation and for participation in the Lifeline program (e.g. FCC Regulation Subpart E – Universal Service Support for Low-Income Consumers).

25. The Parties represent that the terms of this Stipulation are based upon full and accurate information known as of the date this Stipulation is executed. If, after execution, either Party is made aware of information that conflicts, nullifies, or is otherwise materially different than that information upon which this Stipulation is based, either Party may withdraw from the Stipulation with written notice to the other Party.

26. Subject to the provisions set forth herein, ORS does not oppose the Application of TAG Mobile for designation as an eligible telecommunications carrier.

27. ORS is charged by law with the duty to represent the public interest of South Carolina pursuant to S.C. Code § 58-4-10(B) (Supp. 2011). S.C. Code § 58-4-10(B)(1) through (3) read in part as follows:

... 'public interest' means a balancing of the following:

- (1) concerns of the using and consuming public with respect to public utility services, regardless of the class of customer;
- (2) economic development and job attraction and retention in South Carolina;
- and

- (3) preservation of the financial integrity of the State's public utilities and continued investment in and maintenance of utility facilities so as to provide reliable and high quality utility services.

ORS believes the Stipulation reached among the Parties serves the public interest as defined above.

28. The Parties agree to advocate that the Commission accept and approve this Stipulation in its entirety as a fair, reasonable and full resolution of all issues in the above-captioned proceeding and that the Commission take no action inconsistent with its adoption. The Parties further agree to cooperate in good faith with one another in recommending to the Commission that this Stipulation be accepted and approved by the Commission. The Parties agree to use reasonable efforts to defend and support any Commission order issued approving this Stipulation and the terms and conditions contained herein.

29. The Parties represent that the terms of this Stipulation are based upon full and accurate information known as of the date this Stipulation is executed. If, after execution, either Party is made aware of information that conflicts with, nullifies, or is otherwise materially different than that information upon which this Stipulation is based, either Party may withdraw from the Stipulation with written notice to the other Party.

30. The Parties agree that signing this Stipulation will not constrain, inhibit, impair or prejudice their arguments or positions held in other collateral proceedings, nor will it constitute a precedent or evidence of acceptable practice in future proceedings. If the Commission declines to approve the Stipulation in its entirety, then any Party desiring to do so may withdraw from the Stipulation in its entirety without penalty or obligation.

31. This Stipulation shall be interpreted according to South Carolina law.

32. The above terms and conditions fully represent the agreement of the Parties hereto. Therefore, each Party acknowledges its consent and agreement to this Stipulation by affixing its signature or by authorizing counsel to affix his or her signature to this document where indicated below. Counsel's signature represents his or her representation that his or her client has authorized the execution of the agreement. Facsimile signatures and email signatures shall be as effective as original signatures to bind any party. This document may be signed in counterparts, with the original signature pages combined with the body of the document constituting an original and provable copy of this Stipulation. The Parties agree that in the event any Party should fail to indicate its consent to this Stipulation and the terms contained herein, then this Stipulation shall be null and void and will not be binding on any Party.

[PARTY SIGNATURES TO FOLLOW ON SEPARATE PAGES]

Representing the South Carolina Office of Regulatory Staff



Courtney Dare Edwards, Esquire

South Carolina Office of Regulatory Staff

1401 Main Street, Suite 900

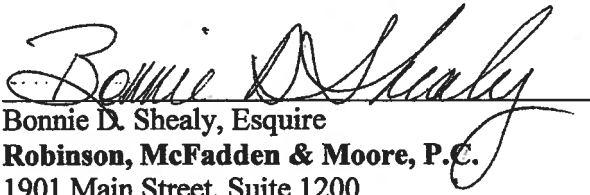
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Representing TAG Mobile, LLC

A handwritten signature in black ink, reading "Bonnie D. Shealy", is written over a horizontal line.

Bonnie D. Shealy, Esquire

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**BEFORE
THE PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA
DOCKET NO. 2012-336-C**

In Re:

APPLICATION OF TAG MOBILE, LLC
FOR DESIGNATION AS AN ELIGIBLE
TELECOMMUNICATIONS CARRIER IN
THE STATE OF SOUTH CAROLINA

CERTIFICATE OF SERVICE

This is to certify that I, Toni C. Hawkins, a Paralegal with the law firm of Robinson, McFadden & Moore, P.C., have this day caused to be served upon the person(s) named below the **proposed order designating TAG Mobile as an Eligible Telecommunications Carrier** in the foregoing matter by placing a copy of same in the United States Mail, postage prepaid, in an envelope addressed as follows:

Courtney D. Edwards, Counsel
Office of Regulatory Staff
1401 Main Street, Suite 900
Columbia, SC, 29201

Dated at Columbia, South Carolina this 7th day of January, 2013.



Toni C. Hawkins